

## Message Text

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ORIGIN ARA-10

INFO OCT-01 ISO-00 SEC-01 L-03 SS-15 EUR-12 SCA-01 CIAE-00

INR-07 NSAE-00 NSC-05 JUSE-00 H-02 MC-02 TRSE-00 /059 R

DRAFTED BY ARA/CEN/CR:MMBOVA:HLB

APPROVED BY ARA/CEN - M.WEISSMAN

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R 171536Z DEC 75

FM SECSTATE WASHDC

TO AMEMBASSY SAN JOSE

C O N F I D E N T I A L STATE 296913

E.O. 11652: GDS

TAGS: PFOR, PGOV, EFIN, CS

SUBJECT: VESCO CASE: SEC REQUEST

1. S.E.C. HAS REQUESTED EMBASSY ASSISTANCE IN CHECKING OUT TWO RUMORS REGARDING VESCO RELATED ACTIVITIES IN COSTA RICA.

2. THE FIRST RUMOR CONCERNS EFFORTS ON THE PART OF A MR. CARARAS (SIC?) TO SELL 50 MILLION DOLLARS WORTH OF CERTIFICATES OF DEPOSIT OF THE CHASE MANHATTAN BANK. 10 MILLION DOLLARS WORTH MAY ALREADY HAVE BEEN SOLD. THE CERTIFICATES ARE BEARER NOTES WITH A SIX YEAR TERM DUE IN 1981. THEY BEAR 7 1/2 PERCENT INTEREST AND ARE PROBABLY ISSUED ON THE LONDON BRANCH OF CHASE. CARARAS IS SAID TO BE AN ADVISOR TO EX-PRESIDENT FIGUERES. THE S.E.C. WOULD APPRECIATE ANY INFORMATION REGARDING SUCH CD SALES, ESPECIALLY, IF THEIR IS ANY INDICATION THAT VESCO MONEY IS BEING CHANNELLED THROUGH THEM. S.E.C. WOULD ALSO APPRECIATE ANY FURTHER INFORMATION ON CARARAS AND ON ONE SURISH OR SURESH SHAH,WHO IS SAID TO BE INVOLVED IN THE CD DEAL. CARARAS'S TELEPHONE NUMBER IN SAN JOSE IS GIVEN AS 210655. COMMENT: CARARAS IS PROBABLY THE SAME PERSON  
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AS ENRIQUE CARRERAS TO WHOM EMBASSY REFERRED IN ITS

MEMCON ON MONJE MEETING DATED OCTOBER 16, 1975.

3. SECOND RUMOR PURPORTS THAT VESCO HAS RECENTLY OBTAINED RIGHTS FROM MILITARY ARMAMENTS CORPORATION TO MANUFACTURE THE WERBELL INGRAM MACHINE GUN WITH SILENCER IN COSTA RICA. VESCO WOULD REPORTEDLY MANUFACTURE THE GUNS ON LAND OWNED BY PEPE FIGUERES. EMBASSY MAY RECALL TESTIMONY BEFORE JACKSON COMMITTEE OF PHILIP R. MANUEL REFERRING TO A MEETING BETWEEN MITCHELL WERBELL III, MITCHELL WERBELL IV, GORDON INGRAM, STUART GRAYDON, MARTI FIGUERES AND ROBERT VESCO TO DISCUSS PLANS TO SET UP A MACHINE GUN FACTORY IN COSTA RICA.

4. DEPARTMENT WOULD APPRECIATE IF EMBASSY COULD RENDER WHATEVER ASSISTANCE IT DEEMS APPROPRIATE IN RESPONDING TO THIS S.E.C. REQUEST. INGERSOLL

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## Message Attributes

**Automatic Decaptioning:** X  
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**Channel Indicators:** n/a  
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**Concepts:** SECURITIES, FRAUDS, ALLEGATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 17 DEC 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** johnsorg  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
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**Status:** NATIVE  
**Subject:** VESCO CASE: SEC REQUEST  
**TAGS:** PFOR, PGOV, EFIN, CS, SEC, CHASE MANHATTAN BANK, (VESCO, ROBERT L)  
**To:** SAN JOSE  
**Type:** TE  
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